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E.O. 12958: DECL: 12/14/2022  
TAGS: [PREL](#) [PGOV](#) [MARR](#) [IN](#)  
SUBJECT: INDIAN DEFENSE SECRETARY TO GC HAYNES: TIES  
IMPROVED, NEED TO SEE AGREEMENTS FINALIZED

Classified By: Charge d'Affaires a.i. Steven White for Reasons 1.4 (B, D)

¶1. (C) Summary. In a December 14 meeting among Department of Defense General Counsel William J. Haynes, Indian Defense Secretary Vijay Singh, and Integrated Defense Staff Chief

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General Hardev Singh Lidder, Singh and Lidder:

-- Accepted responsibility on India for failure to complete thus far CISMOA, LSA and End-Use Monitoring agreements, citing domestic politics and inaction by the Cabinet, and adding that he hoped at least one of the agreements could be concluded by the DPG in January;

-- Reported China's action into Bhutan to destroy a bunker, noting that such an incident, along with China's advanced development of infrastructure along the border compared to India, necessitated India to move some troops to the area;

-- Cited defense cooperation as an area for growth in the bilateral relationship, emphasizing the transparency of India's procurement system today and the potential for a greater American role in India's defense purchases; and

-- Described India's relations with Iran as important for India's interests in energy security, access to Central Asia and Islam, but said that "militarily, we're not that close."

End Summary.

India Needs To Move On CISMOA, LSA, EUM  
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¶2. (C) After describing the "distinct revival" in U.S.-India defense relations over the past 3-4 years as leading the way to closer overall U.S.-India ties, Secretary Singh said that he viewed the completion of the Communications and Information Security Memorandum of Agreement (CISMOA), the Logistics Support Agreement (LSA) and End-Use Monitoring (EUM) as keys to advancing the relationship further. Noting he was going off-the-record, Singh said CISMOA, LSA and EUM had been caught up in domestic political wrangling,

particularly as victims of rhetoric from the government's Left party partners, who are critical of the government for becoming "too close" to the USA. "Those are the real reasons," he said, adding that Prime Minister Singh had recognized the necessity of completing these deals. When asked by GC Haynes when we could expect a conclusion to these agreements, Singh said that while he cannot control what happens in the Cabinet, he hoped at least one, if not all three, of the agreements could be approved prior to the Defense Policy Group meetings in January. When GC Haynes asked if the U.S. should do anything to move the agreements forward, Singh replied "I think you've done all you can. Now we need to take it forward." Singh surmised that once these agreements were concluded, military cooperation will grow "in so many directions."

#### Defense Cooperation Set To Take Off

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13. (C) With Integrated Defense Staff Chief General Lidder at his side, Singh offered his view that the already-improving defense relationship was poised to move to new levels. "The Defense Minister and Foreign Minister have been very clear," he stated, "this relationship has to progress." Pointing to India's upcoming participation in Red Flag, Singh lauded the increase in interactions between our two militaries, adding that public sentiment in India toward the United States is "extremely positive." General Lidder echoed Singh's confidence in the direction of the relationship, saying "For a half century our relationship was good intentions and nothing more. Now there has been a distinct change. Both sides are looking for opportunities."

14. (C) Among those opportunities was the potential for greater defense sales by the U.S. to India, Singh and Lidder

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agreed. Singh boasted of the more transparent procurement system India had put into place with the Defense Procurement Policy of 2006, adding that while Russia remained India's largest defense trade partner, times have changed and now India's market is open to all comers. Singh added his personal feeling that doing business with Russia was "not easy," speculating that despite the newness of doing business with America and perceived incompatibility of our two procurement systems, dealing with long-time partner Russia was still more difficult.

15. (C) GC Haynes pressed the transparency and reliability of American business practices, along with the innovation and value over the product life cycle inherent in the competitive American system. Lidder replied that India has looked to the West in its effort to develop a modern industrial base for its defense programs. Lidder cited the Multi-Role Combat Aircraft (MRCA) competition as an example of the new, open market India offers, with Singh adding "I think it will be an absolutely fair contest. One or two countries think they can sway it, but I don't think that's true." As evidence of the current probity, Singh referred to the recently canceled tender for the Army helicopter, in which the American competitor, Bell Helicopter, had been disqualified for being non-compliant under shady circumstances. "We felt the procedure has to be absolutely fair or redone," Singh said. Singh added rumors were reported that they reopened the tender under pressure from the USG but stated that was absolutely untrue. He also added that India prefers direct government-to-government sales, but felt that the Foreign Military Sales program was slow and unreliable, citing a special forces order of around 28 items he had been involved in which dragged out, in his view, needlessly for several years.

#### China Boundary A Benchmark Of Relations

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16. (C) Turning to regional issues, Singh described India's

relations with China as "good," but said the border issue remained unsettled. China's posture was aggressive at times, he stated, and reported that China had recently destroyed a bunker along the border with Bhutan. In addition to this most recent bunker incident, China has also been actively building infrastructure along the border, giving it an advantage which India has "taken note." Lidder said India is taking action to close the gap on China's advantage, and is factoring in the border issues as it structures and places its forces. Singh was more explicit, saying "We'll have to commit some troops." In response to GC Haynes question of whether India improving infrastructure along the border would add to tensions, Singh downplayed the notion, saying "No. They have secured themselves as they see fit. We must do the same." Lidder said efforts to resolve the boundary issue will be a signal of how Sino-India relations are progressing, adding that China seems content to put off earnest efforts to resolve the issue.

Iran Engagement Necessary, But "Not That Close"

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17. (C) Singh admitted to not having much expertise on Iran, but justified India's ongoing engagement with Tehran by citing energy, Islam (given that their population includes the second largest Muslim population in the world) and a route to Central Asia as key factors. Lidder added "Militarily, we're not that close," and added that India would not be comfortable with a nuclear armed Iran.

18. (U) This message has been cleared by DOD/OGC.  
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